

## THE BOSTANY LAW FIRM

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June 26, 2008

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Hon. Victor Marrero  
United States District Judge  
Southern District of New York  
Daniel Patrick Moynihan United States Courthouse  
500 Pearl Street  
New York, New York 10007

Re: *GMA v. Quiksilver, Inc., et al.*  
Docket No.: 07 CV 11527 (VM)

USDS SDNY  
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ELECTRONICALLY FILED

6-27-08

Your Honor:

We represent the above mentioned plaintiff in this trademark infringement action arising out of a dispute concerning the trademark CHARLOTTE which each side has used to identify a various types of clothing and handbags. Pursuant to your Honor's individual practice rules, we respectfully request a pre-motion conference for permission to file a dispositive motion for summary judgment pursuant to Fed.R.Civ.P. 56. It is respectfully submitted that GMA's incontestable registrations in Classes 18 (bags) and 25 (clothing) are "conclusive evidence" of GMA's exclusive right to the CHARLOTTE trademark. 15 U.S.C. §1115(b); 24 Hour Fitness USA, Inc. v. 24/7 Tribeca Fitness, LLC, 277 F.Supp.2d 356, 361 (S.D.N.Y. 2003). The right to exclusive use extends to all goods contained in the registration certificate. Savin Corp. v. Savin Group, 391 F.3d 439, 456 (2d Cir. 2004).

Some of the defendants have asserted random counterclaims based on conjecture and speculation and we will be filing a motion to dismiss them since they are frivolous and designed to cause confusion in this case. Indeed, counsel readily admits that they copied these claims directly from another case where they were asserted by another law firm based on conjecture and, after hundreds of thousands of dollars spent on a "fishing expedition", while a pre-answer motion to dismiss and a Rule 11 motion were sub judice, the claims were dismissed on consent.<sup>1</sup> We will show that the fraud counterclaims pled on "information and belief" cannot survive and respectfully ask that the Court permit GMA to file a motion for summary judgment before

<sup>1</sup> The *Sanei* case that the Day Pitney firm cites as the basis for both its counterclaims and its improperly filed motion for a stay, was derived from *GMA v. BOP* 07cv3219 (LTS) which was the first filed case assigned to Judge Swain. Judge Swain declined to accept both the *Sanei* case and this case as related. In any event the *Sanei* case was dismissed on consent and the last of the fraud counterclaims asserted by the defendants in the *BOP* case was also dismissed on consent. Copies of the orders are respectfully annexed hereto.

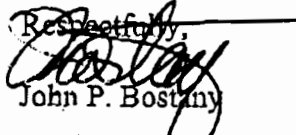
defendants are permitted to turn a straightforward trademark infringement case into an enormously costly discovery exercise on hypothetical arguments obviously designed to raise GMA's legal costs and raise the stakes so as to intimidate the weaker trademark owner.

The counterclaim of "trademark misuse" has never before recognized as a claim. See e.g. *Ford Motor Co. v. Obsolete Ford Parts, Inc.*, 318 F.Supp.2d 516, 521 (E.D. Michigan 2004) ("the court declines to announce or create an independent cause of action for trademark misuse"); *Dunn Computer Corp. v. Loudcloud, Inc.*, 133 F.Supp.2d 823, 830 (E.D. Virginia 2001) ("plaintiff concedes that trademark misuse is only an affirmative defense, not an independent cause of action"); *Whitney Information Network, Inc. v. Gagnon*, 353 F.Supp.2d 1208 (M.D. Florida 2005) ("no authority in the Eleventh Circuit or elsewhere allowing trademark misuse as an independent unfair competition cause of action").

The fraud claims are also tragically defective for numerous reasons each of which would defeat the claim. "Rule 9(b) requires that each allegedly fraudulent statement be identified with particularity, and that specific reference be made to the time, location, content and speaker of each statement. In addition, the party alleging fraud must specify in what respects each of the statements were false and misleading, and the factual basis for believing the defendant acted fraudulently and was responsible." *Great Lakes Mink Ass'n v. Furrari, Inc.*, 1987 WL 33592 (S.D.N.Y. 1987) (citing cases). *Kash 'N Gold, Ltd. v. Samhill Corp.*, 1990 WL 196089 (S.D.N.Y. 1990). See also, *GMA Accessories, Inc. v. Idea Nuova, Inc.*, 157 F.Supp.2d 234, 243 (S.D.N.Y. 2000) (there was be damages alleged by the fraud and those damages must be a direct and proximate result); *King Size, Inc. v. Frank's King Size Clothes, Inc.*, 547 F.Supp. 1138 (S.D. Tex. 1982) (after alleging the fraud with particularity defendant must then prove that trademark applicant itself believed that other's rights were superior and concealed those rights).

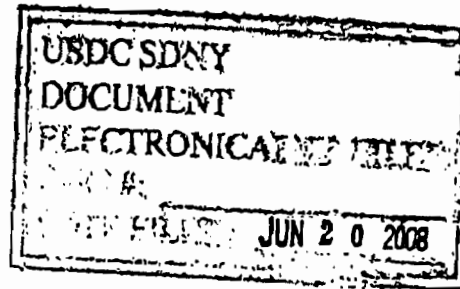
It is respectfully submitted that the CHARLOTTE mark is a strong mark entitled to broad muscular protection under the Lanham Act as Judge Swain found in *GMA v. BOP*, 507 F.Supp.2d 361 (S.D.N.Y. 2007). See also, *Nabisco, Inc. v. PE Brands, Inc.*, 191 F.3d 208, 216 (2d Cir. 1999) ("when a word is applied in an unfamiliar way, it is deemed arbitrary"). *Id.* There should be "no logical relationship whatsoever between the mark and the product on which it is used." *Id.*; *Lane Capital Management, Inc. v. Lane Capital Management, Inc.*, 15 F.Supp.2d 389 (S.D.N.Y. 1998). For example, Dana is an arbitrary mark in part because no individual named "Dana" was associated with the company. *Satinine v. Les Parfums de Dana, Inc.*, 1984 WL 830 at \* 5 (S.D.N.Y. 1984). See also, *Charles of the Ritz Group Ltd. V. Quality King Distributors, Inc.*, 832 F.2d 1317, 1321 (2d Cir. 1987) ("Opium" as applied to perfume is arbitrary).

We will show that the remaining factors of similarity of the products, bad faith of defendants, bridging the gap, sophistication of purchasers and similarity of the marks all weigh in favor of the plaintiff. Wherefore I respectfully request a pre-motion conference to move for summary judgment.

Respectfully,  
  
 John P. Bostany

cc: Stephen Feingold, Esq. (by fax)  
 Mark Rosenberg, Esq. (by fax)  
 Dwight Yellen, Esq. (by fax)

Request GRANTED. A status conference herein is scheduled for <u>7-1-08</u> at <u>2:30 P.M.</u> to address the matter described above by plaintiff as well as defendants' request by letter dated <u>6-25-08</u> for <u>SO ORDERED</u> a conference regarding <u>motion to stay these proceedings</u> <u>6-27-08</u> DATE <u>VICTOR MARRERO, U.S.D.J.</u>
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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
GMA ACCESSORIES, INC.

Plaintiff,

- against -

Civil Action No.: 07CV3219 (LTS) (DF)

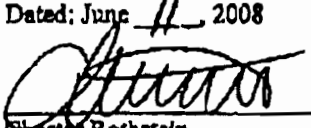
**CONSENT ORDER**


CHARLOTTE SOLNICKI,  
CHARLOTTE B, LLC, EMINENT, INC.,  
SAKS FIFTH AVENUE, INC.,  
INTERMIX, INC., WINK NYC, INC.,  
LISA KLINE, INC., GIRLSHOP, INC.,  
SHOWROOM SEVEN STUDIOS, INC.,  
ELECTRIC WONDERLAND, INC.,  
SHOWROOM SEVEN INT'L, SHOWROOM  
SEVEN, JONATHAN SINGER, GOSI  
ENTERPRISES, LTD., TIERNEY DIRECT  
LLC and JONATHAN SOLNICKI,

Defendants.  
-----X

It is hereby ORDERED, on application of counsel for the undersigned defendants, that  
the counterclaims of defendants GOSI ENTERPRISES, LTD and JONATHAN SINGER along  
with their affirmative defense of trademark misuse are hereby dismissed with prejudice.

Dated: June 11, 2008

  
Chester Rothstein  
Amster Rothstein and Ebenstein LLP  
90 Park Avenue  
New York, New York 10016  
Attorneys for Defendants GOSI  
ENTERPRISES LTD and Jonathan Singer

  
John P. Bostany  
The Bostany Law Firm  
40 Wall Street, 61<sup>st</sup> Floor  
New York, New York 10005  
Attorney for Plaintiff GMA Accessories, Inc.

This order resolves Docket Entry # 113.

SO ORDERED:  6/19/08

Hon. Laura Taylor Swain, U.S.D.J.



JUN-11-2008 10:55

Case 1:07-cv-09578-RWS-DCF

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## COURTESY COPY

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

SANBI CHARLOTTE RONSON LLC,

Plaintiff/Counterclaim Defendant,

-against-

GMA ACCESSORIES, INC.,

Defendant/Counterclaim Plaintiff.

Civil Action No.

07CV9578 (RWS)(DCF)

STIPULATION OF  
DISMISSAL

IT IS HEREBY STIPULATED AND AGREED by and between the undersigned counsel of record for the parties herein that all claims and counterclaims herein are dismissed with prejudice, with each party to bear its own attorneys' fees and costs. All pending motions in this action are hereby withdrawn.

Dated: New York, New York  
June 11, 2008

DREYER LLP

By: 

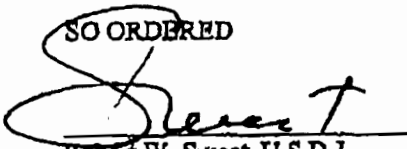
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THE BOSTANY LAW FIRM

By: 

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Attorneys for Defendant/  
Counterclaim Plaintiff

SO ORDERED

  
Robert W. Sweet, U.S.D.J.  
6-12-08

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**The Bostany Law Firm**

# Fax

**To:** Hon. Victor Marrero, U.S.D.J. **From:** Daniel A. Levy

**Fax:** (212) 805-6382 **Pages:** 5

**Phone:** (212) 805-6374 **Date:** June 26, 2008

**Cc:** Stephen Feingold, Esq. **Fax:** (212) 916-2940

**Cc:** Mark Rosenberg, Esq. **Fax:** (212) 643-6500

**Cc:** Dwight Yellen, Esq. **Fax:** (212) 764-5060

**Re:** *GMA Accessories, Inc. v. Quicksilver et al.*

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Take Action

I am respectfully submitting the attached letter.

Very truly yours,

